

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CHIEF HEARING OFFICER DIRECTIVE

DOCKET NO. 2021-349-E ORDER NO. 2022-1-H

JANUARY 3, 2022

CHIEF HEARING OFFICER: David Butler

DOCKET DESCRIPTION:

Joint Petition of Duke Energy Carolinas, LLC and Duke Energy Progress, LLC to Request the Commission to Hold a Joint Hearing with the North Carolina Utilities Commission to Develop Carbon Plan

MATTER UNDER CONSIDERATION:

Petition to Intervene of South Carolina Coastal Conservation League (“CCL”), Southern Alliance for Clean Energy (“SACE”), Upstate Forever, Natural Resources Defense Council (“NRDC”), and Sierra Club (collectively, “Petitioners”)

CHIEF HEARING OFFICER’S ACTION:

This matter comes before the Chief Hearing Officer on the Petition to Intervene of CCL, SACE, Upstate Forever, NRDC, and Sierra Club. The Petition is timely filed, and no objections to the interventions have been filed.

On November 9, 2021, Duke Energy Carolinas, LLC’s (“DEC”) and Duke Energy Progress, LLC’s (“DEP”) (collectively, “Duke Energy” or “the Companies”) filed a petition (“Petition”) with the Commission requesting that the Commission and North Carolina Utilities Commission (“NCUC”) hold a joint proceeding to develop a Carbon Plan as required under North Carolina HB 951. The bill requires that the NCUC approve a Carbon Plan for each utility to achieve a 70% reduction in carbon emissions from 2005 levels by 2030; those plans have to be developed and approved by the NCUC by December 31, 2022. The Petition proposes that the Commission and NCUC hear evidence and develop a record, with the NCUC chair presiding, at the joint proceeding. The Petition further requests that the Commission issue an order by January 31, 2023, requiring that the final Carbon Plan be incorporated into the Companies’ 2023 South Carolina Integrated Resource Plans (“IRPs”). In support of its Petition, Duke Energy asserts that both commissions have the authority to hold a joint hearing, and that a joint hearing on the Carbon Plan is consistent with Act 62’s directive to “address all renewable energy issues in a fair and balanced manner” and the Commission’s expanded oversight in the IRP process. See S.C. Code Ann. §§ 58-41-05, 58-37-40. The Petition also states that both North Carolina and South Carolina stakeholders should have a “seat at the table” as decisions are made regarding the resources that will serve both states’ customers over the next decade and that all customers will benefit from a coordinated approach to the Carbon Plan.

CCL is a nonprofit corporation organized under the laws of the State of South Carolina whose stated mission is to protect the natural environment of the South Carolina coastal plain and to enhance the quality of life in its communities by working with individuals, businesses, and government to ensure balanced solutions. CCL and its members state their support for the development of energy policy that is in the public interest of South Carolinians. CCL asserts that it has members in South Carolina who receive electricity service from the Companies and who will be directly impacted by the decisions made in this proceeding and any related proceedings, including the Companies' IRPs and IRP Updates.

SACE is a nonprofit organization whose stated mission is to promote responsible and equitable energy choices to ensure clean, safe and healthy communities throughout the Southeast. SACE and its members are interested in promoting greater reliance on clean energy resources to meet the South's energy needs. SACE has members in South Carolina who receive electricity service from the Companies and whose electricity rates and service will be impacted by the outcomes of this proceeding and any related proceedings, including the Companies' IRPs and IRP Updates.

Upstate Forever is a non-profit, membership-based organization existing under the laws of the State of South Carolina. Upstate Forever promotes sensible growth and the protection of the critical lands, waters, and unique character of Upstate South Carolina. Upstate Forever has members who receive electricity service from the Companies and whose electricity rates and service will be impacted by the outcomes of this proceeding and any related proceedings, including the Companies' IRPs and IRP Updates.

NRDC is a national environmental organization with over 30 years' experience working on state energy policy, including utility regulation and energy efficiency. NRDC, and its members in South Carolina who receive electricity service from electric utilities regulated by the Commission, state that they have a strong interest in ensuring that South Carolina adopts environmentally sound and sustainable energy policies. NRDC works to promote renewable energy and to advocate for the passage and implementation of clean energy standards and other policies that expand the market for wind and solar power. NRDC also works to promote energy efficiency and conducts research, partners with manufacturers, and advocates for policies that create dramatic energy savings. Likewise, NRDC encourages states to fully account for efficiency potential when they forecast whether they need new power plants or transmission lines in order to avoid costly infrastructure and lower customers' bills. NRDC and its South Carolina members assert that they will be affected by the decisions made in this proceeding and related resource planning proceedings, including the Companies' future IRPs and IRP Updates.

The Sierra Club is a nonprofit conservation organization incorporated in California. It currently represents almost 800,000 dues-paying members nationwide and approximately 6,920 dues-paying members in South Carolina. The Sierra Club's mission is to explore, enjoy, and protect the wild places of the earth; to practice and promote the responsible use of the earth's ecosystems and resources; to educate and enlist humanity to protect and restore the quality of the natural and human environment; and to use all lawful means to

carry out these objectives. The Sierra Club asserts that it has a long history of working to reduce air pollution from coal-fired power plants and to promote clean energy sources in the Southeast. In furtherance of this mission, the Sierra Club and the Sierra Club's South Carolina Chapter state that they work to accelerate the transition from dirty fuels like coal and gas to clean energy solutions like solar, wind and energy efficiency, and advocate for state and federal policies and industry action to achieve this transition. Sierra Club and its South Carolina members assert that they will be impacted by the affected by the decisions made in this proceeding and related resource planning proceedings, including the Companies' future IRPs and IRP Updates.

After it has been determined that the Petition has been timely filed, the next question for the Commission is to determine whether or not the petitioning party or parties have clear factual support or grounds for the proposed intervention. S.C. Regs. 103-825A(3) requires that parties filing a Petition to Intervene in a matter pending before the SC Public Service Commission must:

set forth clearly and concisely:

- (a) The facts from which the nature of the petitioner's alleged right or interest can be determined;
- (b) The grounds of the proposed intervention;
- (c) The position of the petitioner in the proceeding.

Petitioners and their members assert that they have a direct and substantial interest in South Carolina electric utilities' integrated resource plans and the Companies' Carbon Plan. Petitioners' members who receive electricity service at their homes and businesses from the utilities operating in our state, and that they will be affected by decisions made by the utilities in their resource planning processes—and by the Commission in this and future related proceedings, such as new plant certifications and rate cases. Petitioners and their members state that they are interested in promoting cost-effective, clean energy solutions that reduce risks for customers and will lead to cleaner, safer, and healthier communities for all South Carolinians. To that end, Petitioners note that they intervened and were active participants in the Companies' 2020 IRP proceedings before this Commission. Docket Nos. 2019-224-E and 2019-225-E.

My review of the Petition to Intervene reveals that the Petitioners have successfully satisfied the three criteria for intervention stated in the Regulation. The Petitioners' interest in these matters can clearly be discerned, as can the grounds for the intervention, and their position in this Docket.

Further, the Petition to Intervene was timely filed and there are no objections to the interventions. Accordingly, the Petition to Intervene of CCL, SACE, Upstate Forever, NRDC, and Sierra Club is hereby granted in this Docket. This ends the Chief Hearing Officer's Directive.